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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SEC  
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Section

ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

OMB APPROVAL	
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Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 1/01/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Adviser Dealer Services, Inc.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY

FIRM I.D. NO.

6125 Memorial Drive

(No. and Street)

Dublin

(City)

OH

(State)

43017-9767

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

douglas R. Cooper

614-766-7000

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

HHH CPA Group LLC

(Name - if individual, state last, first, middle name)

1250 Old Henderson Road

(Address)

Columbus

(City)

OH

(State)

43220

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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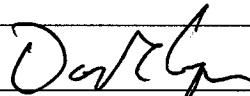
## OATH OR AFFIRMATION

I, Douglas R. Cooper, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Adviser Dealer Services, Inc., as of December 31, 20 12, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

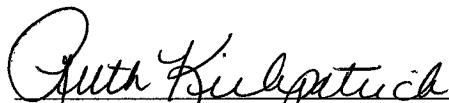
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Signature

Treasurer

Title

  
Notary Public

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

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**ADVISER DEALER SERVICES, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**



Richard B. Dumas, CPA  
rdumas@hhhcpagroup.com

Dominic J. DiBartolomeo, CPA  
nick@hhhcpagroup.com

Board of Directors  
Adviser Dealer Services, Inc.

### Independent Auditors' Report

We have audited the accompanying balance sheet of Adviser Dealer Services, Inc. (a wholly owned subsidiary) as of December 31, 2012 and the related statement of operations, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Adviser Dealer Services, Inc. as of December 31, 2012 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements, taken as a whole. The information contained in Schedules I and II are presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*HHH CPA Group, LLC*

HHH CPA Group, LLC  
Columbus, Ohio

Federal Employer ID Number: 20-3767687

*Richard B. Dumas*

Richard B. Dumas, CPA  
January 31, 2013

HHH CPA Group LLC

1250 Old Henderson Road Columbus, OH 43220

614.451.4644 Office ■ 614.451.3818 Fax

[www.hhhcpagroup.com](http://www.hhhcpagroup.com)

Member: American Institute of Certified Public Accountants

**ADVISER DEALER SERVICES, INC.**

**BALANCE SHEET**

**DECEMBER 31, 2012**

**ASSETS**

Cash	\$	512,866
Accounts receivable		4,724
		<hr/>
Total current assets		517,590
Deposit with clearing organization		25,000
		<hr/>
	\$	542,590
		<hr/>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

Accounts payable - related party	\$	3,982
Commissions payable		3,113
Accrued liabilities		444,139
		<hr/>
Total current liabilities		451,234
Long-term liabilities		-
		<hr/>
Total liabilities		451,234
Stockholder's equity:		
Common stock; no par value, 1,000 shares authorized, issued and outstanding		10,000
Paid in Capital		740,000
Retained earnings		(658,644)
		<hr/>
Total stockholder's equity		91,356
		<hr/>
	\$	542,590
		<hr/>

See accompanying notes to financial statements

**ADVISER DEALER SERVICES, INC.**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

Revenues:

Commissions	\$	96,710
Other income		11,116
Interest		<u>1,035</u>
Total revenues		108,861

Expenses:

Professional fees	727,900
Commissions	36,956
Salaries	28,882
Interest	21,864
Registration fees	11,131
Other	<u>5,265</u>
Total expenses	<u>831,998</u>

Net loss	\$	<u><u>(723,137)</u></u>
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**ADVISER DEALER SERVICES, INC.**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

Common Stock:

Balance at beginning of period	\$ 10,000
Issued/(Repurchased) stock	<u>-</u>
Balance at end of period	<u>10,000</u>

Paid In Capital:

Balance at beginning of period	20,000
Contributed capital	<u>720,000</u>
Balance at end of period	<u>740,000</u>

Retained Earnings:

Balance at beginning of period	64,493
Net income	(723,137)
Distributions	<u>-</u>
Balance at end of period	<u>(658,644)</u>

Total stockholder's equity	<u><u>\$ 91,356</u></u>
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**ADVISER DEALER SERVICES, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

Cash flows from operating activities:	
Net loss	\$ (723,137)
Adjustments to reconcile net loss to net cash used in operating activities:	
(Increase) decrease in:	
Accounts receivable	(2,338)
Increase (decrease) in:	
Accounts payable - related party	(23,249)
Commissions payable	(670)
Accrued liabilities	430,926
	<hr/>
Total adjustments	404,669
	<hr/>
Net cash used in operating activities	(318,468)
Cash flows from investing activities	-
Cash flows from financing activities:	
Proceeds from capital contributions	720,000
	<hr/>
Net cash provided by financing activities	720,000
	<hr/>
Net increase in cash	401,532
Cash at beginning of period	111,334
	<hr/>
Cash at end of period	\$ 512,866
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Supplemental disclosures:	
Interest paid	\$ -
	<hr/>
Income taxes paid	\$ -
	<hr/>

See accompanying notes to financial statements



**ADVISER DEALER SERVICES, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

Note 1 - Summary of Significant Accounting Policies

A. Organization

Adviser Dealer Services, Inc. (the Company) has been operating as a broker-dealer registered with the Securities and Exchange Commission (SEC) and the State of Ohio Securities Division; it is a member of the Financial Industry Regulatory Authority, Inc. (FINRA).

The Company does not hold customer funds or safe-guard customer securities and clears all transactions on a fully disclosed basis through its clearing firm.

As of December 31, 2012, the Company is licensed in 6 states, including California, Delaware, Maryland, New Jersey, Ohio, and Pennsylvania.

B. Management's Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash

The Company maintains cash balances at one bank and in several money market accounts. The cash balance in the bank was under the federally insured limit of \$250,000 as of December 31, 2012. For purposes of the statement of cash flows, the Company considers all cash in checking accounts and money market accounts to be cash equivalents.

D. Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and commissions receivable. The Company places its cash with high credit quality financial institutions, which at times may be in excess of FDIC insurance limits. The Company's receivables represent commissions from completed securities trades. All customer transactions are cleared through another broker-dealer on a fully disclosed basis.

(Continued)

**ADVISER DEALER SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

Note 1 - Summary of Significant Accounting Policies - Continued

E. Commissions

Commission income and commission expense are recorded on a trade-date basis as security transactions occur.

Note 2 - Reserve Requirements

The Company is not obligated to report under SEC Rule 15c3-3 since it does not maintain customer accounts or hold securities. All customer transactions are cleared through another broker-dealer on a fully disclosed basis. Therefore, the Company does not have a reserve requirement nor does it have any information relating to the possession or control requirement under Rule 15c3-3.

Note 3 - Net Capital Requirements (Schedules I and II)

Under SEC Rule 15c3-1, the Company is required to maintain net capital of not less than the greater of 6.67% of total liabilities, exclusive of subordinated debt, for the year ended December 31, 2012, \$30,082, or \$5,000. At December 31, 2012 the Company's net capital as defined by SEC Rule 15c3-1 was \$51,330 in excess of the minimum net capital required.

Note 4 - Related Parties

The Company is affiliated through common ownership with Meeder Asset Management, Inc. (MAM), which provides investment advisory services. At December 31, 2012, the Company owed MAM \$3,982 for the above mentioned services, which is included in the related party payable in the accompanying balance sheet.

The Company from time to time invests cash balances in the Flex-funds Money Market Fund (the Fund). The Fund is managed by MAM, and certain officers of the Company, Meeder Financial, Inc., and MAM are also officers and/or trustees of the Fund. At December 31, 2012, cash and cash equivalents included \$427,827 invested in the Fund.

Note 5 - Income Taxes

Meeder Financial Inc. files a consolidated income tax return which includes the Company and other related entities. Meeder Financial, Inc. has elected to be treated as an S corporation under the provision of Section 1362(a) of the internal Revenue Code (IRC), and the Company qualifies as a QSUB as defined by the IRC, which allows for the Company's income to be taxed directly to Meeder Financial, Inc. As a result, no provision for federal income taxes has been recognized.

(Continued)

**ADVISER DEALER SERVICES, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

Note 5 – Income Taxes - (continued)

The Company recognizes and discloses uncertain tax positions in accordance with accounting principles generally accepted in the United States of America (US GAAP). As of and during the year ended December 31, 2012, the Company did not have a liability for unrecognized tax benefits. The Company is no longer subject to examination by federal and state taxing authorities prior to 2009.

Note 6 – Subsequent Events

Management has reviewed all events subsequent to December 31, 2012, up to the date of audit report and has not encountered any subsequent events that effect the current financial statements or that require additional disclosure.

**ADVISER DEALER SERVICES, INC.**

**SUPPLEMENTARY SCHEDULES**

**AS OF DECEMBER 31, 2012**

**Schedule I**

**Computation of Net Capital under Rule 15c3-1  
of the Securities and Exchange Commission**

**NET CAPITAL**

Total stockholder's equity		\$ 91,356
Add:		
Liabilities subordinated to claims of general creditors allowable in computation of net capital		<u>-</u>
Total capital and allowable subordinated liabilities		91,356
Non-allowable assets:		<u>-</u>
Net capital before haircuts on securities positions		91,356
Haircuts on securities (computed, where applicable, pursuant to rule 15c3-1(f)):		
Other securities	<u>9,944</u>	<u>9,944</u>
Total net capital		<u>\$ 81,412</u>

**Schedule II**

**Reconciliation with Company's Computation of Net Capital as  
Included in Part IIA of Form X-17A-5**

Net capital, as reported in Company's Part IIA (unaudited) FOCUS report	\$ 81,412
Audit adjustments	<u>-</u>
Net capital per audited financial statements	<u>\$ 81,412</u>



Richard B. Dumas, CPA  
rdumas@hhhcpagroup.com

Dominic J. DiBartolomeo, CPA  
nick@hhhcpagroup.com

Board of Directors  
Adviser Dealer Services, Inc.

### Independent Auditors' Report on Internal Control

In planning and performing our audit of the financial statements of Adviser Dealer Services, Inc. for the year ended December 31, 2012, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by the Company that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and the procedures for determining compliance with the exemptive provisions of rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13 or in complying with the requirements for prompt payment for securities under section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

HHH CPA Group LLC

1250 Old Henderson Road Columbus, OH 43220

614.451.4644 Office ■ 614.451.3818 Fax

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Member: American Institute of Certified Public Accountants

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2012, to meet the Commission's objectives.

This report is intended solely for the use of management, the Securities and Exchange Commission, the New York Stock Exchange and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Act of 1934 and should not be used for any other purpose.

HHH CPA Group, LLC

HHH CPA GROUP, LLC  
Columbus, Ohio

January 31, 2013